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ATTORNEYS AND COUNSELORS AT LAW

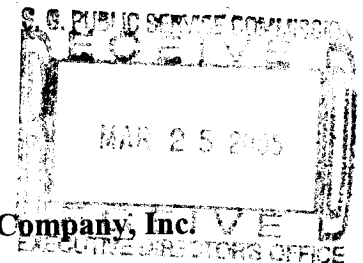
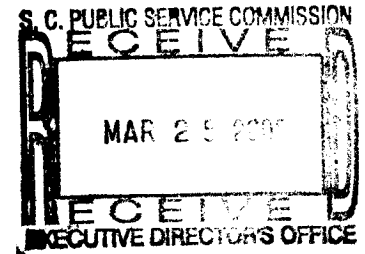
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March 24, 2005

Mr. Charles L. A. Terreni
Chief Clerk/Administrator
South Carolina Public Service Commission
Synergy Business Park, The Saluda Building
101 Executive Center Drive
Columbia, South Carolina 29210



Re: Hargray Telephone Company, Inc. and Bluffton Telephone Company, Inc.
Application for Approval of Alternative Regulation Plan
Docket No. 2005-37-C

Dear Mr. Terreni:

Enclosed for filing please find an original and ten (10) copies of a Proposed Order in the above-referenced matter. By copy of this letter and Certificate of Service, all parties of record are being served with a copy of this Proposed Order via U. S. Mail.

JCT Please clock in a copy and return to us in the self-addressed stamped envelope.

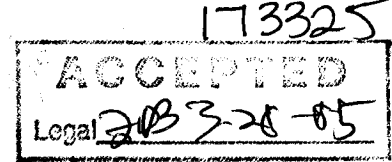
Thank you for your assistance.

Very truly yours,

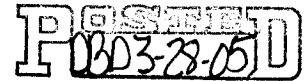
Margaret M. Fox
Margaret M. Fox

MMF/rwm
Enclosures

cc: Parties of Record



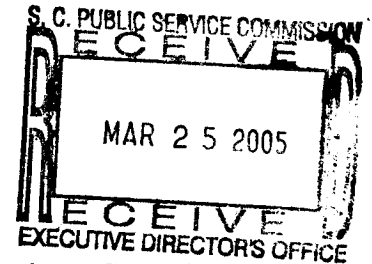
BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA



DOCKET NO. 2005-37-C

Hargray Telephone Company, Inc. and)
Bluffton Telephone Company, Inc.)
Alternative Regulation Plan)
_____)

PROPOSED ORDER



This matter comes before the South Carolina Public Service Commission ("Commission") upon the request of Hargray Telephone Company, Inc. ("Hargray") and Bluffton Telephone Company, Inc. ("Bluffton") for approval of an Alternative Regulation Plan (the "Plan"), pursuant to S.C. Code Ann. § 58-9-576.

S.C. Code Ann. § 58-9-576(A) provides in part:

Any LEC may elect to have rates, terms, and conditions determined pursuant to the plan described in subsection (B), if the commission: (1) has approved a local interconnection agreement in which the LEC is a participant with an entity determined by the commission not to be affiliated with the LEC, (2) determines that another provider's service competes with the LEC's basic local exchange telephone service, or (3) determines that at least two wireless providers have coverage generally available in the LEC's service area and that the providers are not affiliates of the LEC.

On February 2, 2005, Bluffton and Hargray filed an Alternative Regulation Plan. Accompanying the Plan was the Affidavit of Cedric DeBardelaben, with attachments as described below.

The Plan was filed pursuant to S.C. Code Ann. § 58-9-576. Hargray and Bluffton are under common ownership and management and, therefore, jointly submitted the Plan.

According to the Plan, there are at least two wireless providers with coverage generally available in the service areas of Hargray and Bluffton that are not affiliated with either company, and Bluffton and Hargray therefore elect to have the rates, terms, and conditions of their services determined pursuant to the Plan, which they contend conforms with the plan described in S.C. Code Ann. § 58-9-576(B). Specifically, Bluffton and Hargray state that each of the following wireless carriers, none of which is affiliated with either Bluffton or Hargray, has wireless coverage generally available in Bluffton's and Hargray's service areas: ALLTEL Communications, Inc. ("ALLTEL"), Cingular Wireless II LLC ("Cingular"), Nextel South Corp. ("Nextel"), Sprint Spectrum, LP, d/b/a Sprint PCS ("Sprint PCS"), Triton PCS Operating Co., LLC, d/b/a SunCom ("SunCom"), T-Mobile USA, Inc. ("T-Mobile"), and Cellco Partnership, d/b/a Verizon Wireless ("Verizon"). In addition, according to Bluffton and Hargray, there are numerous carriers that have been certificated to provide local exchange services throughout the State of South Carolina, including Bluffton's and Hargray's service areas.

Along with the proposed Plan, Bluffton and Hargray filed the Affidavit of Cedric DeBardelaben, Property & Construction/RF Manager for Hargray Communications Group, the parent company of Hargray Wireless, Hargray Telephone Company, and Bluffton Telephone Company. Mr. DeBardelaben stated under oath that there are a number of wireless providers that have coverage generally available in the incumbent local service areas served by Bluffton and Hargray, including ALLTEL, Cingular, Nextel, Sprint PCS, SunCom, T-Mobile, and Verizon, and that none of these wireless service providers is affiliated with Hargray or Bluffton. Attached to Mr. DeBardelaben's Affidavit were wireless coverage maps obtained from each of these wireless service providers demonstrating general coverage throughout Bluffton's and Hargray's service areas. Mr. DeBardelaben also presented and explained the methodology and

results of drive tests he personally conducted for three of the wireless service providers – Sprint PCS, ALLTEL, and Verizon. According to Mr. DeBardelaben’s sworn statement, and as shown on the maps attached to the Affidavit, the results of the drive tests also demonstrate that ALLTEL, Sprint PCS, and Verizon have generally available coverage and a good quality of service throughout Bluffton’s and Hargray’s service areas.

Notice of the filing of the Plan was published in a newspaper of general circulation in the affected area. No interventions or comments were submitted in response to the notice. The Office of Regulatory Staff (“ORS”) is a party to this matter pursuant to S.C. Code Ann. § 58-4-10(B). On March 17, 2005, ORS filed a letter with the Commission stating that ORS had reviewed the documentation provided by Bluffton and Hargray and, in addition, had independently reviewed information which confirms the general availability of non-affiliated cellular services in Bluffton’s and Hargray’s service areas. The letter concluded by stating that ORS had no objections to the notification by Bluffton and Hargray of their plans to enter the alternative regulation plan set out in S.C. Code Ann. § 58-9-576.

FINDINGS AND CONCLUSIONS

1. This Commission has the authority and the obligation, pursuant to S.C. Code Ann. § 58-9-576(A), in the absence of an approved local interconnection agreement, to make a determination as to whether Bluffton and Hargray meet the requirements of either S.C. Code Ann. § 58-9-576(A)(2) or (A)(3) so as to entitle Bluffton and Hargray to elect alternative regulation under S.C. Code Ann. § 58-9-576.

2. This Commission also has the authority and obligation to review the Plan submitted by Bluffton and Hargray to ensure that it conforms to the requirements of the alternative regulation plan described in S.C. Code Ann. § 58-9-576(B).

3. Bluffton and Hargray have furnished the necessary information for the Commission to make a determination regarding whether Bluffton and Hargray meet the requirements of either S.C. Code Ann. § 58-9-576(A)(2) or (A)(3) so as to entitle Bluffton and Hargray to elect alternative regulation under S.C. Code Ann. § 58-9-576.

4. We find, based on the evidence submitted by Bluffton and Hargray in the form of the sworn Affidavit of Cedric DeBardelaben and accompanying exhibits, that at least two wireless providers have coverage generally available in Bluffton's and Hargray's service areas and that the providers are not affiliates of either LEC. Thus, we find that both Bluffton and Hargray have met the requirements of S.C. Code Ann. § 58-9-576(A)(3).

5. In addition, we note that there are a number of competitive carriers holding statewide certificates to provide local exchange service. Because this Commission has previously terminated Bluffton's and Hargray's automatic rural exemption under Section 251(f)(1) of the Federal Telecommunications Act of 1996, each of the carriers holding a statewide certificate has the authority to provide service in Bluffton's and Hargray's service areas. See Commission Order No. 2000-021 (terminating Bluffton's and Hargray's rural exemptions). We, therefore, find that the requirements of S.C. Code Ann. § 58-9-576(A)(2) have been met.

6. Bluffton and Hargray have met the requirements of S.C. Code Ann. § 58-9-576(A) and, therefore, may elect to have rates, terms, and conditions determined pursuant to an alternative regulation plan as described in S.C. Code Ann. § 58-9-576(B).

7. We have reviewed the Plan jointly proposed by Bluffton and Hargray, and find that it conforms to the provisions of S.C. Code Ann. § 58-9-576(B).

8. Pursuant to S.C. Code Ann. § 58-9-576(B)(1), the Plan “becomes effective on the date specified by the electing LEC, but in no event sooner than thirty days after the notice is filed with the commission.” Bluffton and Hargray specified that the effective date of the Plan is March 4, 2005.

9. A copy of the Plan is attached hereto and incorporated by reference herein.

IT IS THEREFORE ORDERED THAT:

1. The Alternative Regulation Plan filed by Bluffton and Hargray, and attached hereto, is effective as of March 4, 2005.

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

Chairman

ATTEST:

Chief Clerk/Administrator

(SEAL)

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2005-37-C

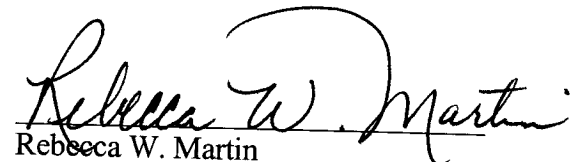
Hargray Telephone Company, Inc. and)
Bluffton Telephone Company, Inc.)
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CERTIFICATE OF SERVICE

I, Rebecca W. Martin, Secretary for McNair Law Firm, P. A., do hereby certify that I have this date served one (1) copy of the Proposed Order in the above-referenced matter on the following parties of record by causing said copy to be deposited with the United States Mail, first class postage prepaid, affixed thereto and addressed as follows:

F. David Butler, Esquire
South Carolina Public Service Commission
Post Office Box 11649
Columbia, South Carolina 29211

Florence P. Belser, Esquire
Office of Regulatory Staff
Post Office Box 11263
Columbia, South Carolina 29211


Rebecca W. Martin
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(803) 799-9800

March 24, 2005

Columbia, South Carolina